Distr.
GENERAL

IDB.27/SR.5
18 September 2003

United Nations Industrial Development Organization

ORIGINAL: ENGLISH

Industrial Development Board

Twenty-seventh session

SUMMARY RECORD OF THE 5th MEETING

Held at the Vienna International Centre, Vienna,
on Thursday, 28 August 2003, at 10 a.m.

President: Mr. GONZALEZ ANINAT (Chile)

CONTENTS

Agenda item		*Paragraphs*
8	International Centre for Science and High Technology (*continued*)	1
9	Activities of the Joint Inspection Unit	2 - 19
10	Personnel matters	20 - 23
11	Consultations with non-Member States	24 - 30
12	Matters related to intergovernmental, non-governmental, governmental and other organizations	31 -34
13	Preparations for the tenth session of the General Conference	35 - 38
14	Provisional agenda and date of the twenty-eighth session	39

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V.03-87688 (E)

The meeting was called to order at 10.20 a.m.

ORGANIZATIONAL MATTERS (continued)

INTERNATIONAL CENTRE FOR SCIENCE AND HIGH TECHNOLOGY (*continued*) (IDB.27/22)

1. **Mr. BERTOGLI** (International Centre for Science and High Technology (ICS)) thanked all those who had expressed appreciation of ICS activities during the previous meeting. Such activities were in line with UNIDO's global strategy. ICS projects and programmes were being realigned with UNIDO's integrated programmes. Increasingly, ICS served as a specialized centre providing specific expertise in sectors including biodegradable plastics, new technologies and technology management. Emphasis was being placed on greater operational autonomy and the preparation and promotion of projects at national and regional levels, and a new draft statute was being prepared to strengthen the project-oriented strategy. Projects that had been finalized concerned: novel technologies for the treatment of waste water from agro-food production; recycling of waste-building materials; intervention on plastics waste management through biodegradable plastics; the establishment of ICS-associated centres with a focus on technology management, including tools for decision support. In connection with the latter, Senegal, Ecuador, the Philippines and Slovakia had formally requested ICS assistance.

ACTIVITIES OF THE JOINT INSPECTION UNIT (IDB.27/19 and Add.1 and 2; IDB.27/CRP.3)

2. **Mr. MÜNCH** (Joint Inspection Unit (JIU)) said that, for the sake of brevity, he would introduce orally only two of the seven reports submitted by the Joint Inspection Unit for the Board's consideration—the one addressed specifically to UNIDO and another concerning all the Vienna-based organizations of the United Nations system. The text of his statement on the remaining five reports, of system-wide scope, would be made available to delegations in due course. The report concerning management and administration in UNIDO, contained in document IDB.27/19/Add.1, could not have been prepared without valuable input from the Director-General and his staff as well as Member States. It addressed each item of UNIDO's management that JIU had felt should be examined, as the result of an in-depth evaluation tailored to the Organization. The core function of an external oversight organ was to identify where managerial improvements were possible and desirable and where the Board's guidance would be of assistance to the Director-General. Regarding the management structure of the UNIDO Secretariat, he said that, under the Constitution, the Director-General had the overall authority to direct the work of the Secretariat, which did not, however, preclude consideration of the current management structure with a view to recommending ways of optimizing it. It was considered that the Board of Directors deserved to be revitalized as a managerial instrument. The role of the Directors, in particular those serving in the field, should be strengthened, and their participation in decision-making should be reinforced. Delegation of authority in UNIDO could be regarded as a "best practice" in the United Nations system according to a JIU report on delegation of authority in the United Nations Secretariat issued in 2000. However, still more could be done, especially with regard to human resources management. A cautious approach had been justified during the recent critical phase in UNIDO's history, but the improvement in the collection of assessed contributions might encourage the Director-General to reflect on the possibility of enhanced delegation of authority.

3. With regard to planning, programming, budgeting, monitoring and evaluation, he said that the Business Plan had been important at the time of its adoption as an emergency-driven plan to determine UNIDO's immediate course of action. The time had now come to replace the Business Plan by a longer-term strategic plan, as had been done in other specialized agencies like the Food and Agriculture Organization of the United Nations (FAO).

4. Following the turbulence of recent years, human resources management was now heading in the right direction. However, some of the weak points of the past still needed to be monitored. For example, recommendation 15 (see document IDB.27/19/Add.1, "Executive summary") was targeted at consolidation following the restructuring processes and at improving staff confidence in managerial decisions affecting them. Recommendation 17 urged the Director-General to formalize a system of rotating core professional staff between Headquarters and the field. It was not simply a matter of emulating the United Nations—it was an important issue for UNIDO also. He welcomed the news that a rotation system was being developed.

5. On the subject of UNIDO's field presence, JIU considered that UNIDO should open a liaison office in Brussels, at the centre of the European Union's institutions, like other specialized agencies with a technical cooperation mandate. Such an investment would pay off in terms of improved fund-raising capabilities. Secondly, the missions of the Inspectors to the field had shown what a regional field office could achieve if it was properly staffed. Recommendation 20 suggested strengthening existing regional offices according to their specific needs, reducing the staffing of regional bureaux at Headquarters and closing some country offices in consultation with the Member States concerned. That recommendation reflected the concerns expressed by many staff members consulted. The regional bureaux at Headquarters were important, but it

was in their own interest to supervise a strong, well-equipped and well-functioning field presence.

6. The twenty-fourth session of the Industrial Development Board had endorsed a pilot scheme on the handling of Joint Inspection Unit reports, as outlined in document IDB.24/18. According to the scheme, the Director-General should express his view as to which recommendations he deemed acceptable and invite the Board to take action as appropriate. However, in the Director-General's comments contained in document IDB.27/19/Add.2, it was merely proposed that the Board "take note of the information provided". He appealed to the Secretariat to implement the pilot scheme fully.

7. The JIU report on "Common and joint services of the United Nations system organizations at Vienna" (JIU/REP/2002/12) warranted serious consideration by Member States and the UNIDO Secretariat given that the strengthening of common services was one of the eight strategies proposed for the enhancement of support capacities by the United Nations Secretary-General. He drew particular attention to recommendation 1, which proposed the establishment of a single common services administrative unit under the management of the United Nations Office at Vienna (UNOV). The current allocation of common services among UNIDO, IAEA and UNOV was far from equitable, with UNIDO carrying a disproportionately large responsibility by virtue of its management of the Vienna International Centre (VIC) building complex. Significant financial, managerial and operational efficiency gains could be achieved under the proposed new allocation. In 1998, the UNIDO Secretariat itself had proposed transferring responsibility for the Buildings Management Service to another Organization to allow it to concentrate on its core functions. The Director-General made a comment along similar lines in document IDB.27/19/Add.2. A single common services entity under the management of UNOV would remove many of the weaknesses identified and further the development of the common services in areas such as procurement, information and communication technology and human resources management.

8. **Mr. URRUELA PRADO** (Guatemala), speaking on behalf of the Group of 77 and China, said that a comprehensive evaluation of JIU's review (IDB.27/19/Add.1) and the Director-General's comments thereon (IDB.27/19/Add.2) would require more time and clarifications by the Secretariat, and the study of the actual recommendations. An in-depth discussion on the matter could be undertaken during the forthcoming General Conference session. It had taken an unusually long time—six years—for the JIU to submit its review and some of the recommendations and observations made had become obsolete. He understood that UNIDO had already taken cognizance of some observations in the meantime, and that in many cases there would be follow-up action. Nonetheless, the Group expected the Secretariat to take into account JIU observations, where applicable, to improve the programmatic, financial and managerial efficiency of the Organization.

9. **Mr. BETTI BERUTTO** (Italy), speaking on behalf of the European Union (EU) and the acceding and associated countries, called upon the UNIDO Secretariat to discuss the JIU report on "Common and Joint Services of United Nations system organizations at Vienna" fully with the other Vienna-based organizations so as to identify ways of improving the efficiency and cost-effectiveness of joint operations. The organizations should consider the possibility of carrying out a feasibility study on the recommendation for the establishment of a single common services administrative unit during such discussions. The study should focus on whether different arrangements, including outsourcing, might be more cost-effective for individual organizations as well as for the Vienna-based organizations as a whole. The EU felt strongly that there should be no direct or indirect subsidies of the catering services and called upon UNIDO to eliminate any remaining subsidies as soon as possible.

10. Given the late submission of the JIU report and the Director-General's comments thereon, he suggested that a more detailed discussion should take place after the current session, perhaps through an informal mechanism of consultation with Member States, in which JIU should be invited to participate. An item on the subject could be added to the agenda of the forthcoming General Conference session.

11. **Mr. LAL** (India), speaking on behalf of the Asian Group, said that more time was required for a thorough study of the relevant documentation on the activities of the Joint Inspection Unit, and it would be premature to make detailed comments at that juncture. He suggested that an in-depth consideration of the subject might be undertaken at the forthcoming General Conference session, following a comprehensive evaluation of the documentation and clarifications by the Secretariat.

12. **Mr. WOLDE** (Ethiopia), speaking on behalf of the African Group, said that the Group took the JIU reports very seriously, but that sufficient time was required for their thorough consideration. It would be appreciated if the Secretariat could arrange briefings and consultations on the subject at a convenient time for all parties concerned.

13. **Ms. KAYIHAN-ERCIN** (Turkey) said that, in the light of the comment by JIU that the current allocation of common services among Vienna-based organizations was far from equitable for UNIDO, the Secretariat should be encouraged to carry out

consultations with the other organizations concerned to seek the best solution. In that connection, she looked forward to the further elimination of all catering subsidies by UNIDO. Concerning the Director-General's comments on JIU recommendations 6 and 9 (IDB.27/19/Add.2) relating to the review of UNIDO's management and administration, she took note of steps taken by the Secretariat towards results-based management and of the corporate strategy document that was being distributed, with information on the approach UNIDO intended to adopt in response to the challenges of sustainable industrial development.

14. In connection with JIU recommendations 12 and 13 (IDB.27/19/Add.1), the timely payment of assessed contributions and the availability of voluntary contributions were crucial for the success of technical cooperation activities. Turkey participated in the informal consultative group on voluntary contributions and hoped that it would achieve fruitful results. Concerning the recommendation to open a liaison office in Brussels, she noted the Director-General's comment that the current arrangement was considered satisfactory given UNIDO's financial limitations. Nonetheless, she shared JIU's view that it might be useful to examine the matter further. With respect to recommendation 19, she highlighted the importance of recruiting professional staff on a wide geographical basis, while promoting gender balance. In that connection, the timely communication of vacancy announcements to Member States was important.

15. **Mr. OTA** (Japan) said that the JIU report on management and administration in UNIDO contained important recommendations. However, he shared the Secretariat's view that improvements were continually being made and that some of the recommendations had already been taken care of or had become irrelevant. For instance, recommendation 6 stressed the need for a strategic plan for the Organization. The strategic guidelines adopted at the last session clearly spelled out the areas of focus for technical cooperation activities and key issues in providing such services. He commended UNIDO on translating those guidelines into a corporate strategy, which he hoped would provide clear linkages between strategic objectives and programmes.

16. Recommendation 17 encouraged the introduction of a system of rotation of core professional staff between Headquarters and field duty stations. He had been pleased to learn during the current session that such a system was being developed. The combination of local knowledge with expertise from Headquarters could only benefit recipient countries by ensuring efficient service delivery and impact on the ground. With respect to recommendation 19, he was aware of UNIDO's continuous efforts to recruit staff at the Professional level on a wide and equitable geographical basis and the commitment to addressing gender imbalance in all categories of posts.

17. Concerning recommendation 21, he said that notable progress had been made in the field of oversight with the establishment of the Office of the Comptroller General in June 2003. He hoped that the staffing profile of the Office would be further strengthened both in skill set and size, as felt necessary.

18. UNIDO had made a number of reforms, and he hoped that the reform process would be continued with a view to improved programme delivery.

19. **Mr. LAL** (India), referring to the Director-General's comments on JIU's various recommendations, noted that the focus of the three thematic initiatives undertaken recently was to improve fund mobilization and that further initiatives were not currently under consideration. The Office of the Comptroller General would be the focal point for coordinating the development of performance indicators. Regarding decentralization, he looked forward to the report of the commission that had been set up to examine the issue of decentralization and to make concrete proposals. He welcomed the trend in the recruitment of professional staff in terms of improved geographical and gender balance.

PERSONNEL MATTERS (IDB.27/2 and IDB.27/16; IDB.27/CRP.4)

20. **Mr. URRUELA PRADO** (Guatemala), speaking on behalf of the Group of 77 and China, said that the Secretariat should continue to strive for improved gender balance and equitable geographical distribution in recruitment. Moreover, vacancy announcements should be issued to Member States in a timely manner allowing more time for making nominations. The growing representation of female Professionals from the developing countries in the UNIDO Secretariat was appreciated. However, nationals of the Group of 77 and China were not sufficiently well represented in the Professional category and among UNIDO international consultants, and he urged the Secretariat to remedy the situation. It was hoped that, with the allocation of additional funds during the next financial biennium to accommodate salary increases, the current high vacancy ratio in the UNIDO Secretariat would be reduced. That should lead to greater output and organizational efficiency and increased technical cooperation delivery. He supported the increased emphasis on human resource management in the Organization, including job-related training for its staff.

21. **Mr. LAL** (India), speaking on behalf of the Asian Group and referring to document IDB.27/16, noted with satisfaction the trend towards more balanced

geographical and gender representation among Professionals. That trend should be maintained. The Group attached great importance to the conditions for the posting of staff to field offices. The prospect of losing fringe benefits might be a concern for staff posted away from Headquarters, and the Secretariat might wish to consider developing greater incentives in that regard. The Secretariat was requested to examine whether the number of staff posted in field units was appropriate, to strengthen the latter and to reduce staff at Headquarters.

22. **Mr. WOLDE** (Ethiopia), speaking on behalf of the African Group, commended the Director-General on his report on personnel matters (IDB.27/16). Efforts should be intensified to strive for equitable regional representation and to remain sensitive to gender balance issues in the interests of the Organization, without jeopardizing the quality of its human resources. The Group felt that its representation at Headquarters and in the field, particularly at senior level, was not commensurate with the size and population of Africa. It also expected African women to be given better employment opportunities at UNIDO. It urged the use, as appropriate, of local experts, who were likely to have better solutions to problems on the ground as they were familiar with the specific needs of the area in question. While recognizing the efforts for greater transparency in the employment process, the Group considered that longer deadlines should be set for vacancy announcements, especially for senior positions. That would give Member States more time to apply and also obviate the need to reissue announcements, thus making savings for the Organization. The Group commended the Director-General's efforts to introduce a modern management system and agreed on the need for attention to career development, the dispensing of merits and awards and salary levels based on the contributions of individuals and teams. However, the utmost care should be taken not to demoralize employees or encourage negative attitudes as a result of unnecessary competition.

23. **Mr. LEE Jae-wan** (Republic of Korea) said that, while he welcomed UNIDO's progress over the previous biennium in pursuing a recruitment policy designed to improve gender equality and geographical distribution, the percentage of staff representing Asian countries at the senior Professional level remained comparatively low. He urged the Secretariat to redress the balance.

CONSULTATIONS WITH NON-MEMBER STATES (IDB.27/20)

24. **Mr. URRUELA PRADO** (Guatemala), speaking on behalf of the Group of 77 and China, expressed appreciation of the efforts made to initiate talks with several non-Member States, which he hoped would have a positive outcome. He welcomed the establishment of a working group to pursue the matter of widening the membership of UNIDO along with the question of mobilizing more funds.

25. **Mr. LAL** (India), speaking on behalf of the Asian Group, welcomed UNIDO's efforts to initiate membership talks with various non-Member countries, and expressed appreciation for Member States' efforts to assist in that regard. The Group supported the establishment of a working group to pursue the matter of widening the membership, along with discussions with a view to increasing voluntary contributions and the recovery of arrears in assessed contributions.

26. **Mr. URRUELA PRADO** (Guatemala), speaking on behalf of the Latin American and Caribbean Group (GRULAC), welcomed the consultations with non-Member States aimed at increasing the membership of UNIDO. The Organization should continue its efforts in that regard, making use of its offices in New York and Geneva where necessary. GRULAC supported the recently established informal consultative group, which would be useful in encouraging new and former Members to join the Organization.

27. **Mr. WOLDE** (Ethiopia), speaking on behalf of the African Group, welcomed the consultations held with a view to widening the membership of UNIDO, and urged that efforts in that regard be continued. The African Group would fully support the co-chairs of the consultative group.

28. **Mr. LAL** (India) supported efforts to initiate membership talks with non-Member States and welcomed the establishment of the informal consultative group seeking to increase voluntary contributions and widen the membership base of UNIDO through discussions with non-Members and former Members.

29. **Mr. ZNIBER** (Morocco) expressed support for UNIDO's tireless efforts to encourage non-Members or former Members to join the Organization. In that regard, he welcomed the establishment of the informal consultative group, in which his delegation participated actively, and was confident that positive results could be achieved.

30. **The PRESIDENT** said that there was a clear consensus on the need to strengthen UNIDO as much as possible by bringing in new Members. New Members could contribute fresh ideas and facilitate international cooperation aimed at solving the major problems affecting mankind.

MATTERS RELATED TO INTERGOVERNMENTAL, NON-GOVERNMENTAL, GOVERNMENTAL AND OTHER ORGANIZATIONS (IDB.27/18)

31. **The PRESIDENT** said that the Bureau had examined the application contained in document IDB.27/18, from the World Federation of Free Zones (FEMOZA) and found it to be in order. He would be presenting a draft decision on the subject to the plenary for its consideration.

32. **Mr. WOLDE** (Ethiopia), speaking on behalf of the African Group, said that the private sector was an engine of development, directly contributing to the efforts to reduce poverty in Africa. An increase in UNIDO's efforts to strengthen the capacity of the private sector and cooperate further with the sector would be welcome. In that connection, the Group was pleased to note that UNIDO would be seeking to address priorities of the New Partnership for Africa's Development (NEPAD), and welcomed the recognition that NEPAD now received from multilateral forums. It was also encouraged by the willingness of the global community to cooperate with Africa in the pursuit of mutual benefits.

33. Lastly, the Group noted with interest UNIDO's cooperation with the World Federation of Free Zones, and hoped that the decision to grant FEMOZA consultative status would have a positive impact for Africa.

34. **Mr. LETHMAYER** (Austrian Senior Experts Pool (ASEP)) considered that UNIDO should develop a plan for promoting building materials and construction technologies worldwide. Such technologies were labour-intensive and utilized local, environment-friendly materials to create better homes and infrastructure, reducing expensive imports and transport. Construction was the foundation of industrial development, and ASEP was prepared to invest in that sector for the benefit of developing countries.

PREPARATIONS FOR THE TENTH SESSION OF THE GENERAL CONFERENCE (IDB.27/13)

35. **Mr. BETTI BERUTTO** (Italy), speaking on behalf of the European Union and the acceding and associated countries, said that it had not been possible to have a focused discussion in the Board on the JIU review of management and administration in UNIDO, owing to the late arrival of the documentation. He therefore suggested that the item be added to the agenda of the tenth session of the General Conference.

36. **Ms. NORIEGA URIZAR** (Guatemala), speaking on behalf of the Latin American and Caribbean Group, suggested that, at the coming Conference session, round tables should be organized to enable high-level representatives from the different regions to present the technical cooperation priorities of their regions with a view to mobilizing the necessary financial and technical resources. In addition, the Group suggested a presentation of the results of the technical cooperation programmes of UNIDO in the different regions, to increase the Organization's visibility.

37. **Mr. YEPES ALZATE** (Colombia) said that his Government would like to host the eleventh session of the General Conference of UNIDO in Cartagena at the end of 2005. The national authorities were taking the necessary steps and he would appreciate the assistance of the UNIDO Secretariat and the support of Member States in that connection.

38. **The PRESIDENT** said that he was confident that any such event organized in Colombia would be a success.

PROVISIONAL AGENDA AND DATE OF THE TWENTY-EIGHTH SESSION (IDB.27/CRP.5)

39. **Ms. ORLOWSKI** (Secretary of the Board) said that the proposed dates for the next session were 25-27 May 2004. A draft decision was being discussed in informal consultations.

The meeting rose at 11.50 a.m.

IDB.27/SR.6

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GENERAL

IDB.27/SR.6
18 September 2003

ORIGINAL: ENGLISH

United Nations Industrial Development Organization

Industrial Development Board

Twenty-seventh session

SUMMARY RECORD OF THE 6th MEETING

Held at the Vienna International Centre, Vienna,
on Thursday, 28 August 2003, at 3 p.m.

President: Mr. GONZALEZ ANINAT (Chile)

CONTENTS

Agenda item			*Paragraphs*
-		Introduction of draft decisions	1 - 4
3		Annual report of the Director-General for 2002 on the activities of the Organization (*continued*)	5 - 6
4		Report of the Programme and Budget Committee (*continued*)	7 - 22
	(a)	Interim report of the External Auditor, financial performance report and programme performance report for the biennium 2002-2003 (*continued*)	7 - 8
	(b)	Financial situation of UNIDO (*continued*)	9 - 10
	(c)	Scale of assessments for apportionment of the regular budget expenses (*continued*)	11 - 12
	(d)	Working Capital Fund for the biennium 2004-2005 (*continued*)	13 - 14
	(e)	Financing of UNIDO programmes, including new initiatives for funds mobilization (*continued*)	15 - 16
	(f)	Transition to a single-currency-system (*continued*)	17 - 18
	(g)	Follow-up to report of the External Auditor for the biennium 2000-2001 (*continued*)	19 - 20
	(h)	Appointment of an External Auditor (*continued*)	21 - 22

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V.03-87689 (E)

CONTENTS (*continued*)

Agenda item		*Paragraphs*
5	Programme and budgets, 2004-2005 (*continued*)	23 - 24
6	Implementation of medium-term programme framework, 2002-2005 (*continued*)	25 - 30
	(a) Update on preparations for the biotechnology forum (*continued*)	27 - 28
	(b) Field representation (*continued*)	29 - 30
7	Medium-term programme framework, 2004-2007 (*continued*)	31 - 32
8	International Centre for Science and High Technology (*continued*)	33 - 34
9	Activities of the Joint Inspection Unit (*continued*)	35 - 36
10	Personnel matters (*continued*)	37 - 38
11	Consultations with non-Member States (*continued*)	39 -40
12	Matters related to intergovernmental, non-governmental, governmental and other organizations (*continued*)	41 - 42
6	Implementation of medium-term programme framework, 2002-2005 (*continued*)	43 - 46
	(a) Update on preparations for the biotechnology forum (*continued*)	43 - 46
13	Preparations for the tenth session of the General Conference (*continued*)	47 - 48
14	Provisional agenda and date of the twenty-eighth session (*continued*)	49 - 50
15	Adoption of the report	51 - 53
-	Closure of the session	54 - 56

The meeting was called to order at 3.15 p.m.

INTRODUCTION OF DRAFT DECISIONS (IDB.27/L.2-L.13)

1. **The PRESIDENT** said that a number of draft decisions, contained in documents IDB.27/L.2-L.13, were submitted to the Board for consideration. They had been the subject of informal consultations chaired by Ms. Ramis-Plum (France).

2. **Ms. RAMIS-PLUM** (France), speaking as chairperson of the informal consultations, said that consensus had been reached on all the draft decisions. The draft decision relating to agenda item 10 (IDB.27/L.7) had been provisionally approved pending more complete information on the nomination of candidates for election to the UNIDO Staff Pension Committee for the biennium 2004-2005. She was now in a position to propose that the second candidate to be recommended as alternate member of that Committee should be Ms. Vesna Vucović (Croatia).

3. She thanked the Swiss delegation for having agreed to the withdrawal of the draft decision proposed by it concerning a study on the usefulness of ISO 9001 certification of UNIDO. It was proposed that an information meeting should be held on the matter, possibly during the forthcoming General Conference session, with the participation of the Secretary-General of the International Organization for Standardization.

4. **The PRESIDENT** thanked the chairperson and all those who had participated in the informal consultations for their work. He hoped that the draft decisions would be adopted swiftly by the Board.

ANNUAL REPORT OF THE DIRECTOR-GENERAL FOR 2002 ON THE ACTIVITIES OF THE ORGANIZATION (*continued*) (IDB.27/2 and Add.1)

5. No draft decision having been submitted under the item, **the PRESIDENT** proposed that the Board take note of the documentation provided by the Secretariat.

6. *It was so decided.*

REPORT OF THE PROGRAMME AND BUDGET COMMITTEE (*continued*) (IDB.27/12)

(a) INTERIM REPORT OF THE EXTERNAL AUDITOR, FINANCIAL PERFORMANCE REPORT AND PROGRAMME PERFORMANCE REPORT FOR THE BIENNIUM 2002-2003 (*continued*) (IDB.27/2, IDB.27/6 and IDB.27/8)

7. No draft decision having been submitted under the item, **the PRESIDENT** proposed that the Board take note of the documentation provided by the Secretariat.

8. *It was so decided.*

(b) FINANCIAL SITUATION OF UNIDO (*continued*) (IDB.27/10; IDB.27/CRP.7; IDB.27/L.2)

9. **The PRESIDENT** drew attention to draft decision IDB.27/L.2.

10. *The draft decision was adopted.*

(c) SCALE OF ASSESSMENTS FOR APPORTIONMENT OF THE REGULAR BUDGET EXPENSES (*continued*) (IDB.27/7 and Add.1; IDB.27/L.3)

11. **The PRESIDENT** drew attention to draft decision IDB.27/L.3, entitled "Scale of assessments for the fiscal period 2004-2005".

12. *The draft decision was adopted.*

(d) WORKING CAPITAL FUND FOR THE BIENNIUM 2004-2005 (*continued*) (IDB.27/4; IDB.27/L.4)

13. **The PRESIDENT** drew attention to draft decision IDB.27/L.4.

14. *The draft decision was adopted.*

(e) FINANCING OF UNIDO PROGRAMMES, INCLUDING NEW INITIATIVES FOR FUNDS MOBILIZATION (*continued*) (IDB.27/2)

15. No draft decision having been submitted under the item, **the PRESIDENT** proposed that the Board take note of the documentation provided by the Secretariat.

16. *It was so decided.*

(f) TRANSITION TO A SINGLE-CURRENCY SYSTEM (*continued*) (IDB.27/9; IDB.27/L.5)

17. **The PRESIDENT** drew attention to draft decision IDB.27/L.5.

18. *The draft decision was adopted.*

(g) FOLLOW-UP TO REPORT OF THE EXTERNAL AUDITOR FOR THE BIENNIUM 2000-2001 (*continued*) (IDB.27/6)

19. No draft decision having been submitted under the item, **the PRESIDENT** proposed that the Board take note of the documentation provided by the Secretariat.

20. *It was so decided.*

(h) APPOINTMENT OF AN EXTERNAL AUDITOR (*continued*) (IDB.27/5 and Add.1; IDB.27/CRP.2)

21. No draft decision having been submitted under the item, **the PRESIDENT** proposed that the Board take note of the documentation provided by the Secretariat.

22. *It was so decided.*

PROGRAMME AND BUDGETS, 2004-2005 (*continued*) (IDB.27/3; IDB.27/L.6)

23. **The PRESIDENT** drew attention to draft decision IDB.27/L.6.

24. *The draft decision was adopted.*

IMPLEMENTATION OF MEDIUM-TERM PROGRAMME FRAMEWORK, 2002-2005 (*continued*) (IDB.27/17; IDB.27/CRP.6 and CRP.8; IDB.27/L.12)

25. **The PRESIDENT** drew attention to draft decision IDB.27/L.12, entitled "Strengthening industrial capacities".

26. *The draft decision was adopted.*

(a) UPDATE ON PREPARATIONS FOR THE BIOTECHNOLOGY FORUM (*continued*) (IDB.27/15; IDB.27/CRP.10)

27. **The PRESIDENT** suggested that consideration of the item should be deferred pending the availability of the text of the relevant draft decision.

28. *It was so decided.*

(b) FIELD REPRESENTATION (*continued*) (IDB.27/21; IDB.27/CRP.9)

29. No draft decision having been submitted under the item, **the PRESIDENT** proposed that the Board take note of the documentation provided by the Secretariat.

30. *It was so decided.*

MEDIUM-TERM PROGRAMME FRAMEWORK, 2004-2007 (*continued*) (IDB.27/14; IDB.27/CRP.8; IDB.27/L.11)

31. **The PRESIDENT** drew attention to draft decision IDB.27/L.11, entitled "Support to the least developed countries".

32. *The draft decision was adopted.*

INTERNATIONAL CENTRE FOR SCIENCE AND HIGH TECHNOLOGY (*continued*) (IDB.27/22)

33. No draft decision having been submitted under the item, **the PRESIDENT** proposed that the Board take note of the documentation provided by the Secretariat.

34. *It was so decided.*

ACTIVITIES OF THE JOINT INSPECTION UNIT (*continued*) (IDB.27/19 and Add.1 and 2; IDB.27/CRP.3)

35. No draft decision having been submitted under the item, **the PRESIDENT** proposed that the Board take note of the documentation provided by the Secretariat.

36. *It was so decided.*

PERSONNEL MATTERS (*continued*) (IDB.27/2 and IDB.27/16; IDB.27/CRP.4; IDB.27/L.7)

37. **The PRESIDENT** drew attention to draft decision IDB.27/L.7.

38. *The draft decision was adopted.*

CONSULTATIONS WITH NON-MEMBER STATES (*continued*) (IDB.27/20)

39. No draft decision having been submitted under the item, **the PRESIDENT** proposed that the Board take note of the documentation provided by the Secretariat.

40. *It was so decided.*

MATTERS RELATED TO INTERGOVERNMENTAL, NON-GOVERNMENTAL, GOVERNMENTAL AND OTHER ORGANIZATIONS (*continued*) (IDB.27/18; IDB.27/L.8)

41. **The PRESIDENT** drew attention to draft decision IDB.27/L.8, entitled "Application from a non-governmental organization for consultative status".

42. *The draft decision was adopted.*

The meeting was suspended at 3.35 p.m. and resumed at 4.25 p.m.

IMPLEMENTATION OF MEDIUM-TERM PROGRAMME FRAMEWORK, 2002-2005 (*continued*)

(a) UPDATE ON PREPARATIONS FOR THE BIOTECHNOLOGY FORUM (*continued*)
(IDB.27/15; IDB.27/CRP.10; IDB.27/L.13;)

43. **The PRESIDENT** drew attention to draft decision IDB.27/L.13.

44. **Mr. STELZER** (Austria) suggested that a new preambular paragraph on the following lines should be added after (f): "Takes note with appreciation of the presentation by Chile, host of the Global Biotechnology Forum, on its national preparations towards the successful implementation of the Forum."

45. *It was so decided.*

46. *The draft decision, as amended, was adopted.*

PREPARATIONS FOR THE TENTH SESSION OF THE GENERAL CONFERENCE (*continued*)
(IDB.27/13; IDB.27/L.9)

47. **The PRESIDENT**, after thanking the Government of Colombia for its kind offer to host a future session of the General Conference at Cartagena, Colombia, drew attention to draft decision IDB.27/L.9.

48. *The draft decision was adopted.*

PROVISIONAL AGENDA AND DATE OF THE TWENTY-EIGHTH SESSION (*continued*)
(IDB. 27/CRP 5; IDB. 27/L.10)

49. **The PRESIDENT** drew attention to draft decision IDB.27/L.10.

50. *The draft decision was adopted.*

ADOPTION OF THE REPORT (IDB.27/L.1)

51. **Mr. POPTCHEV** (Bulgaria), Rapporteur, introducing document IDB.27/L.1, said that it represented the framework of the report. The final version would be compiled in close consultation with the Friends of the Rapporteur and would duly reflect the proceedings of the session, including the decisions that had just been adopted.

52. **The PRESIDENT** said that, if he heard no objection, he would take it that the Board wished to adopt the draft report as a whole on the understanding that the Rapporteur would finalize it in consultation with the Friends of the Rapporteur as soon as possible after the closure of the session.

53. *It was so decided.*

CLOSURE OF THE SESSION

54. **Mr. MAGARIÑOS** (Director-General) thanked all participants for the spirit of cooperation they had demonstrated, which had resulted in a very productive session. Some of the matters raised in the course of the deliberations required immediate attention from the Secretariat. The mobilization of funds was an important issue and he hoped that the informal consultative group he had set up would help to increase the membership of UNIDO and the resources available to the Organization. Mention had been made of the Human Security Fund, which had huge potential, as illustrated by the large programme approved for the Sudan and the programme under consideration for Bangladesh, and the Secretariat would carry out an evaluation to see how UNIDO could further its contribution to human security. As requested, the challenges and objectives for the Millennium would be included in the medium-term programme framework and a document prepared to provide an overview of those objectives in the context of UNIDO's activities. The Secretariat would be reviewing the integrated programmes in Africa and assessing the impact of the new initiatives launched. It would also be preparing a document on technical cooperation projects in Latin America and would hold discussions on the best way to increase the funds earmarked for the region.

55. It was essential that matters relating to development should be discussed thoroughly and in an open fashion, and he appreciated the time that delegations had been prepared to devote to informal discussions during the lunch hours. In order to respond to the growing concern of Member States to become more familiar with UNIDO's activities, a series of briefings and meetings on substantive items would be organized for delegations in the months leading up to the General Conference session. Discussions on the substantive focus of UNIDO would also be held with Member States and staff on the basis of a paper that had been prepared on UNIDO's corporate strategy and circulated during the twenty-seventh session of the Board. That paper had been developed over several months and would have a practical impact on the design of technical cooperation activities.

56. **The PRESIDENT**, after thanking the participants for their support and cooperation, declared the twenty-seventh session of the Industrial Development Board closed.

The meeting rose at 4.40 p.m.